

EXHIBIT 14
REDACTED VERSION

Subject: Fwd: Sony Strives for Original Design (Business Week)

Date: Wed 22 Feb 2006 14:59:23 +0000

REDACTED



Begin forwarded message:

FEBRUARY 22, 2006

Newsmaker Q&A

Sony Strives for Original Design

A top strategist and designer from the electronics giant talk about the challenges of staying at the top of gearheads' wish lists

Ever since former Chairman and Chief Executive Norio Ohga formed the company's first design team in 1961, Sony (SNE) has given geeky gadgets -- from robot pets to video-game consoles -- a familiar cutting-edge coolness. Just pick up any Sony gizmo, and you'll see why the brand has so much cachet worldwide.

But lately the competition has been whittling down Sony's edge. Plenty of onetime tech upstarts, from Samsung Electronics of Korea to China's Lenovo (LNVGF), have taken note of Sony's success and sought to copy it by setting up their own design shops. PC heavyweights such as Apple Computer (AAPL) are moving in as well: Since its debut in 2001, the iPod has far outsold Sony's Walkman in Japan, beating the electronics giant at its own game.

These days, Sony designers aren't just eyeing the competition. They have had to cope with an internal organization in flux ever since last year's management shakeup, which was aimed at reinvigorating Sony's loss-making electronics division. The task of keeping the creative juices flowing falls partly on **Takashi Ashida, 40. As the Creative Center's top strategist, he keeps tabs on a staff of 400, sprinkled across three continents -- in Tokyo, Los Angeles, London, Singapore, and, most recently, Shanghai.** As Ashida puts it, designing is about "being original, not a copy."

Fortunately for him, Sony has attracted plenty of young talent. Yujin Morisawa, 30, spent four years at New York-based design shop Karim Rashid, where he crafted perfume flasks and personal digital assistants, before joining Sony. He headed the team that redesigned the Walkman digital-music player, which was released in Japan last September and in Europe just last month.

Ashida and Morisawa recently spoke with BusinessWeek correspondent Kenji

Hall in Tokyo about Sony's design process and the impact of last year's reorganization. Edited excerpts of the conversation follow:

What is Sony's design philosophy?

Ashida: The Sony spirit is about being original, not a copy. We generally don't rely on surveys, because we're always trying to make something that's never been done before. When Sony opened its first design center in 1961, the color theme was black and silver. The idea was to do away with excessive ornamentation. We're continuing that tradition.

How has the environment changed for designers under the new management team headed by Chairman and CEO Howard Stringer?

Ashida: **There has been big change under Sir Howard and [President Ryoji] Chubachi. Before the Howard era, design teams were scattered into product groups. The disadvantage was you could lose touch of the overall Sony design strategy.**

Now we have a unified team of designers. They can freely talk with the software interface designer and the graphics designer without any limitations, without any walls. That's a big change over what we did for seven years. And designers now report directly to [Senior General Manager Keiji] Saito and [Senior Vice-President Masao] Morita, whereas before it was indirect reporting.

Is the reorganization having the desired effect?

Ashida: I think it's working. **Morita is very much involved in the design process.** We have weekly meetings on design confirmation. Previously, [Nobuyuki] Idei was the chairman and CEO, and was overseeing design, and obviously he was very busy. So we only had operational meetings once a month, but they weren't to cover design.

Masao Morita also has a very important role in brand management. He's very active. His points are straightforward. His main concern is how to increase the visibility of the Sony brand. **He's especially concerned about how the Sony logo is being treated, where it is on the product. And he's a very heavy user of products, so he's very strict on ease of use.**

Designers present to him, and there are tough discussions. Designers look at originality. But Morita will often ask, "How about the usability? What's the product concept? Who are you targeting?" You have to become the user when you design the products. **He's going back to the basics of good product design.** Some designers are good craftsmen, but you have to really think about the concept as well, how the product is being placed at home. Morita is challenging designers.

The Walkman digital-music player recently got a makeover. Its corners have been rounded out, and its 20-gigabyte version can store 10,000 or more songs. [There's also an 8-gigabyte and 6-gigabyte type.] Released in Japan last September and in Europe in January, it's Sony's first product developed

under the new management. Describe how you got started.

Morisawa: There were five or six people from product planning and engineering already working on the Walkman when I joined last year. They asked me to design something that didn't look like any other music player. They said, "Do something new." These [photos of a trumpet, a flood-lighted concert stage, a darkened sky at dusk] are some of the images I showed to the team to get them to think about the concept.

How much did the iPod influence your design?

Morisawa: When I started this project, that was my concern. I looked at the first Walkman [which debuted in 1979]. Then I thought, "How can I give shape to the music?" Music doesn't have shape; it's flowing. I was listening to music and waving my hand in the air. I thought there shouldn't be an end to its lines. So I started drawing a round shape, and I kept moving the line.

My team had shown me their sketch: It was a square with a screen and buttons. Most other players have a screen and buttons. My first mock-up didn't have buttons. I didn't want buttons. With any digital-music player, the hard disk drive and chips are similar. I thought, "How can we make the layout different?" I knew what would go inside, so I could start the design from the outside. I knew how big the hard disk drive would be, how many chips there would be.

What challenges did you face in making sure the final product would look like your sketch?

Morisawa: It's really tough to make something round. You can't really measure where the components are inside [the device] when using the CAD [computer-aided design] system. I didn't want the engineers to change the shape or the size. I didn't want something larger than this; it fits in your hand.

I thought it had to be smooth on the back. The engineers wanted to make the back side flat. But I didn't want the flatness to bother you when you're listening to the music. I made two physical mock-ups for engineers so they could feel the difference. That's how I convinced them to keep working on this. Afterward, the engineers joked that they didn't want to work with me twice in a row.

Are you satisfied with the design?

Morisawa: Yes.

What are you not satisfied with?

Morisawa: The buttons. I want to say there's a way not to have buttons.

The Walkman is bulkier than rivals' music players. The iPod nano, for instance, has been a hit among consumers who like its featherweight, compact size. How much was size a factor in the Walkman's new design?

Morisawa: I told the project team, "It's not about the size." It's not a challenge for us to make it small.

Ashida: In the past, the size of the media was important; it determined the size of the product. CD players could only be as small as the size of the CDs. Now there's no limitation. It's just silicon and components. I think the value has shifted to other things. For example, the Walkman has artificial intelligence [a feature called Artist Link that analyzes a consumer's tastes and suggests new songs], which the iPod doesn't have.

----- end message -----